



DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

Child and Adult Care Food Program: National Average Payment Rates, Day Care Home Food Service Payment Rates, and Administrative Reimbursement Rates for Sponsoring Organizations of Day Care Homes for the Period July 1, 2022 through June 30, 2023

AGENCY: Food and Nutrition Service, Agriculture (USDA).

ACTION: Notice.

SUMMARY: This notice announces the annual adjustments to the national average payment rates for meals and snacks served in child care centers, outside-school-hours care centers, at-risk afterschool care centers, and adult day care centers; the food service payment rates for meals and snacks served in day care homes; and the administrative reimbursement rates for sponsoring organizations of day care homes, to reflect changes in the Consumer Price Index. Further adjustments are made to these rates to reflect the higher costs of providing meals in Alaska and Hawaii. The adjustments contained in this notice are made on an annual basis each July, as required by the laws and regulations governing the Child and Adult Care Food Program. Overall, reimbursement rates this year for the Child and Adult Care Food Program increased compared to last year.

DATES: These rates are effective from July 1, 2022 through June 30, 2023.

FOR FURTHER INFORMATION CONTACT: Penny Burke, Branch Chief, Program Monitoring and Operational Support Division, Child Nutrition Programs, Food and Nutrition Service, United States Department of Agriculture, 1320 Braddock Place, Suite 401, Alexandria, Virginia 22314, 303-844-0357.

SUPPLEMENTARY INFORMATION:

Temporary Adjustments Authorized Under the Keep Kids Feed Act of 2022

Child and Adult Care Food Program institutions face continued challenges related to the COVID-19 pandemic. To help alleviate some of those challenges, Section 3 of the Keep Kids Fed Act of 2022 (P.L. 117-158) provides temporary additional funding for each meal and supplement served. This additional reimbursement amount will be available beginning July 1, 2022 and ending on June 30, 2023. The law temporarily provides an additional reimbursement in the amount of 10 cents for each meal and supplement served under the program authorized by section 17 of the Richard B. Russell National School Act (42 U.S. C. 1766). Additionally, the Keep Kids Fed Act of 2022 (P.L. 117-158) authorized a tier II family or group day care home described in subsection (f)(3)(A)(iii) of section 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766) to be considered a tier I family or group day care home for purposes of the program authorized under that section for the same period. This temporary measure will provide tier II homes with tier I reimbursement rates only for the time period beginning July 1, 2022 and ending on June 30, 2023.

Background

Pursuant to sections 4, 11, and 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1753, 1759a and 1766), section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) and 7 CFR 226.4, 226.12 and 226.13 of the Program regulations, notice is hereby given of the new payment rates for institutions participating in the Child and Adult Care Food Program (CACFP). As provided for under the law, all rates in the CACFP must be revised annually, on July 1, to reflect changes in the Consumer Price Index (CPI), published by the Bureau of Labor

Statistics of the United States Department of Labor, for the most recent 12-month period. These rates are in effect during the period July 1, 2022 through June 30, 2023.

Adjusted Payments

The following national average payment factors and food service payment rates for meals and snacks are in effect from July 1, 2022 through June 30, 2023. All amounts are expressed in dollars or fractions thereof. Due to a higher cost of living, the reimbursements for Alaska and Hawaii are higher than those for all other States. The District of Columbia, Virgin Islands, Puerto Rico, and Guam use the figures specified for the contiguous States. These rates do not include the value of USDA Foods or cash-in-lieu of USDA Foods, which institutions receive as additional assistance for each lunch or supper served to participants under the Program. A notice announcing the value of USDA Foods and cash-in-lieu of USDA Foods is published separately in the *Federal Register*. Adjustments to the national average payment rates for all meals served under the Child and Adult Care Food Program are rounded down to the nearest whole cent.

National Average Payment Rates for Centers (including temporary increases authorized by the Keep Kid Fed Act which expire on June 30, 2023)

The changes in the national average payment rates for centers reflect a 7.40 percent increase during the 12-month period from May 2021 to May 2022 (from 303.481 in May 2021, as previously published in the *Federal Register*, to 325.952 in May 2022) in the food away from home series of the CPI for All Urban Consumers.

Payments for breakfasts served are: Contiguous States - paid rate – 45 cents (12 cent increase from 2021-2022 annual level), reduced price rate – 1 dollar and 91 cents (24 cents increase), free rate – 2 dollar and 21 cents (24 cents increase); Alaska - paid rate – 64 cents (14 cent increase), reduced price rate – 3 dollars and 18 cents (33 cents increase), free rate – 3 dollars and 48 cents

(33 cents increase); Hawaii - paid rate – 50 cents (12 cent increase), reduced price rate – 2 dollars and 26 cents (27 cents increase), free rate – 2 dollars and 56 cents (27 cents increase).

Payments for lunch or supper served are: Contiguous States - paid rate – 47 cents (12 cents increase from 2021-2022 annual level), reduced price rate – 3 dollars and 63 cents (37 cents increase), free rate – 4 dollars and 03 cents (37 cents increase); Alaska - paid rate – 71 cents (14 cents increase), reduced price rate – 6 dollars and 07 cents (53 cents increase), free rate – 6 dollars and 47 cents (53 cents increase); Hawaii - paid rate – 54 cents (13 cents increase), reduced price rate – 4 dollars and 30 cents (42 cents increase), free rate – 4 dollars and 70 cents (42 cents increase).

Payments for snack served are: Contiguous States - paid rate – 19 cents (10 cents increase from 2021-2022 annual level), reduced price rate – 64 cents (14 cents increase), free rate – 1 dollar and 18 cents (18 cents increase); Alaska - paid rate – 26 cents (12 cents increase), reduced price rate – 97 cents (16 cents increase), free rate – 1 dollar and 85 cents (22 cents increase); Hawaii - paid rate – 21 cents (11 cent increase), reduced price rate – 73 cents (15 cents increase), free rate – 1 dollar and 36 cents (19 cents increase).

Food Service Payment Rates for Day Care Homes (including temporary increases authorized by the Keep Kids Fed Act of 2022 which expires on June 30, 2023)

The changes in the food service payment rates for day care homes reflect a 11.91 percent increase during the 12-month period from May 2021 to May 2022 (from 255.516 in May 2021, as previously published in the *Federal Register*, to 285.953 in May 2022) in the food at home series of the CPI for All Urban Consumers.

Payments¹ for breakfast served are: Contiguous States - Tier I – 1 dollar and 66 cents (26 cents increase from 2021-2022 annual level) and Tier II – 1 dollar and 66 cents (1 dollar and 15 cent increase); Alaska - Tier I – 2 dollars and 59 cents (36 cent increase) and Tier II – 2 dollars and 59 cents (1 dollar and 80 cent increase); Hawaii - Tier I – 1 dollar and 91 cents (28 cent increase) and Tier II - 1 dollar and 91 cents (1 dollar 33 cent increase).

Payments for lunch and supper served are: Contiguous States - Tier I – 3 dollars and 04 cents (41 cents increase from 2021-2022 annual level) and Tier II – 3 dollars and 04 cents (1 dollar and 45 cent increase); Alaska – Tier I – 4 dollars and 87 cents (61 cents increase) and Tier II – 4 dollars and 87 cents (2 dollar and 30 cent increase); Hawaii - Tier I – 3 dollars and 55 cents (47 cents increase) and Tier II – – 3 dollars and 55 cents (1 dollar 69 cent increase).

Payments for snack served are: Contiguous States - Tier I – 97 cents (19 cents increase from 2021 - 2022 annual level) and Tier II – 97 cents (76 cents increase); Alaska - Tier I – 1 dollar and 52 cents (25 cent increase) and Tier II – Tier I – 1 dollar and 52 cents (1 dollar 17 cent increase); Hawaii - Tier I – 1 dollar and 12 cents (21 cents increase) and Tier II – 1 dollar and 12 cents (87 cents increase).

Administrative Reimbursement Rates for Sponsoring Organizations of Day Care Homes

The changes in the administrative reimbursement rates for sponsoring organizations of day care homes reflect an 8.58 percent increase during the 12-month period, May 2021 to May 2022 (from 269.195 in May 2021, as previously published in the *Federal Register*, to 292.296 in May 2022) in the series for all items of the CPI for All Urban Consumers.

Monthly administrative payments to sponsors for each sponsored day care home are:

Contiguous States - Initial 50 homes – 137 dollars (11 dollars increase from 2021 - 2022 annual

¹ The Keep Kids Fed Act of 2022 (P.L. 117-158) authorized an additional 10 cent reimbursement per meal or supplement served under the program for the school year beginning July 1, 2022 and ending June 30, 2023. Additionally, all Tier II family daycare homes shall be reimbursed at the Tier I rate for the school year beginning July 1, 2022 and ending June 30, 2023.

level), next 150 homes – 104 dollars (8 dollars increase), next 800 homes – 81 dollars (6 dollars increase), each additional home – 72 dollars (6 dollars increase); Alaska - Initial 50 homes – 221 dollars (17 dollars increase), next 150 homes – 169 dollars (14 dollars increase), next 800 homes – 132 dollars (11 dollars increase), each additional home – 116 dollars (9 dollars increase); Hawaii - Initial 50 homes – 160 dollars (13 dollars increase), next 150 homes – 122 dollars (10 dollars increase), next 800 homes – 95 dollars (7 dollars increase), each additional home – 84 dollars (7 dollars increase).

Payment Chart Including Additional Temporary Reimbursement from the Keep Kids Fed Act of 2022

The following chart illustrates the national average payment factors and food service payment rates for meals and snacks in effect for the school year beginning July 1, 2022 and ending June 30, 2022 and includes the additional reimbursement authorized by the Keep Kids Fed Act of 2022 (P.L. 117-158).

Table 1: Temporary Reimbursement Payment Chart CHILD AND ADULT CARE FOOD PROGRAM (CACFP) Per Meal Rates in Whole or Fractions of U.S. Dollars Effective July 1, 2022 through June 30, 2023 Temporary Additional Reimbursement included from Keep Kids Feed Act 2022							
CENTERS ²		BREAKFAST		LUNCH AND SUPPER ¹		SUPPLEMENT	
CONTIGUOUS STATES	PAID	0.45		0.47		0.19	
	REDUCED PRICE	1.91		3.63		0.64	
	FREE	2.21		4.03		1.18	
ALASKA	PAID	0.64		0.71		0.26	
	REDUCED PRICE	3.18		6.07		0.97	
	FREE	3.48		6.47		1.85	
HAWAII	PAID	0.50		0.54		0.21	
	REDUCED PRICE	2.26		4.30		0.73	
	FREE	2.56		4.70		1.36	
DAY CARE HOMES ²		BREAKFAST		LUNCH AND SUPPER		SUPPLEMENT	
		TIER I	TIER II	TIER I	TIER II	TIER I	TIER II
CONTIGUOUS STATES		1.66	1.66	3.04	3.04	0.97	0.97
ALASKA		2.59	2.59	4.87	4.87	1.52	1.52

HAWAII	1.91	1.91	3.55	3.55	1.12	1.12
ADMINISTRATIVE REIMBURSEMENT RATES FOR SPONSORING ORGANIZATIONS OF DAY CARE HOMES <i>Per Home/Per Month Rates in U.S. Dollars</i>			Initial 50	Next 150	Next 800	Each Additional
CONTIGUOUS STATES			137	104	81	72
ALASKA			221	169	132	116
HAWAII			160	122	95	84

¹These rates do not include the value of USDA Foods or cash-in-lieu of USDA Foods which institutions receive as additional assistance for each CACFP lunch or supper served to participants. A notice announcing the value of USDA Foods and cash-in-lieu of USDA Foods is published separately in the Federal Register.

²The Keep Kids Fed Act of 2022 (P.L. 117-158) provides an additional 10 cents for each meal and supplement served and allows tier II day care homes to be reimbursed at the tier I rate for the time period starting July 1, 2022 ending on June 30, 2023.

Base Payment Chart (excludes the temporary increases authorized by Keep Kids Fed Act of 2022)

The following chart shows the national average payment factors and food service payment rates for meals and snacks in effect from July 1, 2022 through June 30, 2023. These rates reflect the annual adjustments as required by the laws and regulations governing the Child and Adult Care Food Program and do not include the temporary increases authorized by Keep Kids Fed Act of 2022 (P.L. 117-158).

Table 2: Base Payment Chart ²							
CHILD AND ADULT CARE FOOD PROGRAM (CACFP)							
Per Meal Rates in Whole or Fractions of U.S. Dollars							
Effective from July 1, 2022 - June 30, 2023							
CENTERS		BREAKFAST		LUNCH AND SUPPER ¹		SUPPLEMENT	
CONTIGUOUS STATES	PAID	0.35		0.37		0.09	
	REDUCED PRICE	1.81		3.53		0.54	
	FREE	2.11		3.93		1.08	
ALASKA	PAID	0.54		0.61		0.16	
	REDUCED PRICE	3.08		5.97		0.87	
	FREE	3.38		6.37		1.75	
HAWAII	PAID	0.40		0.44		0.11	
	REDUCED PRICE	2.16		4.20		0.63	
	FREE	2.46		4.60		1.26	
DAY CARE HOMES		BREAKFAST		LUNCH AND SUPPER		SUPPLEMENT	
		TIER I	TIER II	TIER I	TIER II	TIER I	TIER II
CONTIGUOUS STATES		1.56	0.56	2.94	1.78	0.87	0.24
ALASKA		2.49	0.87	4.77	2.88	1.42	0.39
HAWAII		1.81	0.65	3.45	2.08	1.02	0.28
ADMINISTRATIVE REIMBURSEMENT RATES FOR SPONSORING ORGANIZATIONS OF DAY CARE HOMES Per Home/Per Month Rates in U.S. Dollars				Initial 50	Next 150	Next 800	Each Additional
CONTIGUOUS STATES				137	104	81	72
ALASKA				221	169	132	116
HAWAII				160	122	95	84

¹These rates do not include the value of USDA Foods or cash-in-lieu of USDA Foods which institutions receive as additional assistance for each CACFP lunch or supper served to participants. A notice announcing the value of USDA Foods and cash-in-lieu of USDA Foods is published separately in the *Federal Register*.

²This chart **does not** contain the KKFA rate increases

This action is not a rule as defined by the Regulatory Flexibility Act (5 U.S.C. 601-612) and thus is exempt from the provisions of that Act. This notice has been determined to be exempt under Executive Order 12866.

CACFP is listed in the Catalog of Federal Domestic Assistance under No. 10.558 and is subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with State and local officials. (See 2 CFR 415.3-415.6).

This notice imposes no new reporting or recordkeeping provisions that are subject to OMB review in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3518).

AUTHORITY: Sections 4(b)(2), 11a, 17(c) and 17(f)(3)(B) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1753(b)(2), 1759a, 1766(f)(3)(B)) and section 4(b)(1)(B) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(b)(1)(B)).

Cynthia Long,
Administrator,
Food and Nutrition Service.

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